



Province of the
EASTERN CAPE
EDUCATION

**NATIONAL
SENIOR CERTIFICATE**

GRADE 12

JUNE 2021

**BUSINESS STUDIES P2
(EXEMPLAR)**

MARKS: 150

TIME: 2 hours

This question paper consists of 10 pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of **THREE** sections and covers **TWO** main topics.

SECTION A: COMPULSORY

SECTION B: Consists of **THREE** questions.

Answer any **TWO** of the three questions in this section.

SECTION C: Consists of **TWO** questions.

Answer any **ONE** of the two questions in this section.

2. Read the instructions for each question carefully and take particular note of what is required.

Note that **ONLY** the first **TWO** questions in **SECTION B** and the **FIRST** question in **SECTION C** will be marked.

3. Number the answers correctly according to the numbering system used in this question paper. **NO** marks will be awarded for answers that are numbered incorrectly.
4. Except where other instructions are given, answers must be written in full sentences.
5. Use the mark allocation and nature of each question to determine the length and depth of an answer.
6. Use the table below as a guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
A: Objective-type questions COMPULSORY	1	30	20
B: THREE direct/indirect-type questions CHOICE: Answer any TWO.	2	40	70
	3	40	
	4	40	
C: TWO essay-type questions CHOICE: Answer any ONE.	5	40	30
	6	40	
TOTAL		150	120

7. Begin the answer to **EACH** question on a **NEW** page, for example **QUESTION 1** – new page, **QUESTION 2** – new page, etc.
8. You may use a non-programmable calculator.
9. Write neatly and legibly.

SECTION A (COMPULSORY)**QUESTION 1**

1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question numbers (1.1.1–1.1.5) in the ANSWER BOOK, for example 1.1.6 D.

1.1.1 The ... leadership theory encourages followers to accept change in the workplace.

- A situational
- B leaders and followers
- C transformational
- D autocratic

1.1.2 A minimum of R1 000 must be invested in this form of investment:

- A Unit trusts
- B Shares
- C Fixed deposit
- D RSA Retail Savings Bonds

1.1.3 Mrs King, the insured, must pay a certain amount when a claim is lodged:

- A Excess
- B Premium
- C Book value
- D Interest

1.1.4 ONE of the steps that businesses may consider when handling conflict in the workplace:

- A Implement disciplinary procedures
- B Select an appropriate solution
- C Provide recreational facilities
- D Provide fringe benefits

1.1.5 Creative thinking in the workplace means ... to solve business problems.

- A using old ways
- B generating innovative ideas
- C using routine thinking
- D allowing one employee

(5 x 2) (10)

- 1.2 Complete the following statements by using the words provided in the list below. Write only the word(s) next to the question numbers (1.2.1–1.2.5) in the ANSWER BOOK.

instruction manual; Delphi technique; rental; under-insurance; non-cooperation; brainstorming; collaboration; dividend; over insurance; code of ethics
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- 1.2.1 Businesses/Individuals will not receive a pay-out larger than the value of the loss at market value. This refers to ...
- 1.2.2 Income earned from investing in property is known as ...
- 1.2.3 A business requests a panel of experts to complete a set of questionnaires to solve a complex problem. This refers to ...
- 1.2.4 When team members agree to co-operate in working towards a common goal, it is known as
- 1.2.5 The ... is a written document stating the principles and values which the business upholds.

(5 x 2) (10)

1.3 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A–J) next to the question numbers (1.3.1–1.3.5) in the ANSWER BOOK, for example 1.3.6 K.

COLUMN A	COLUMN B
1.3.1 Assurance	A power or authority because of the position into which they are appointed
1.3.2 Liquidity	B request each employee to silently generate ideas on his/her own before sharing it with the group
1.3.3 Leadership	C describing the escalation in the value or prices which makes the investment worthless after a period of time
1.3.4 Professionalism	D request employees in a group to suggest ideas at random and for all ideas to be written on a flip chart
1.3.5 Nominal group technique	E the moral principles that indicate if decisions are right or wrong
	F refers to an agreement with an insurer to financially compensate for risks, such as damage or loss of property
	G the internationally accepted standards/expectations of people’s conduct and levels of competence in the workplace
	H refers to an agreement with an assurer to financially compensate for injuries or loss of life
	I power or influence because of his/her knowledge or intelligence or skills
J describes the ease and speed with which investors can convert an investment into cash	

(5 x 2) (10)

TOTAL SECTION A: 30

SECTION B

Answer ANY TWO questions in this section.

NOTE: Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to EACH question must start on a NEW page, for example QUESTION 2 on a new page, QUESTION 3 on a NEW page, etc.

QUESTION 2: BUSINESS VENTURES

- 2.1 Give THREE examples of non-insurable risks. (3)
- 2.2 Identify the type of shares represented by EACH statement below.
- 2.2.1 These shares are issued to shareholders who started the company. (2)
- 2.2.2 Shares are issued to existing shareholders as compensation for loss of dividends. (2)
- 2.3 Read the scenario below and answer the questions that follow.

NJOLI STATIONERY SUPPLIERS (NSS)

Bizzah is the owner of Njoli Stationery Suppliers. He rewards employees for meeting sales targets and punishes them for not meeting deadlines.

- 2.3.1 Identify the leadership style used by Bizzah. Motivate your answer by quoting from the scenario above. (3)
- 2.3.2 Discuss the impact of Bizzah's leadership style as identified in QUESTION 2.3.1. (8)
- 2.4 Recommend situations in which the following leadership styles could be applied in the workplace:
- 2.4.1 Democratic (4)
- 2.4.2 Laissez-Faire/Free Reign (4)
- 2.5 Explain the meaning of *debentures*. (4)

2.6 Read the scenario below and answer the questions that follow.

Kwezi bought a business property worth R800 000, but he insured it for R500 000. A hurricane destroyed a part of the property and damages were estimated at R300 000.

2.6.1 Name the insurance clause that is applicable to the scenario above. (2)

2.6.2 Calculate the amount that Kwezi will receive as compensation from the insurer. Show ALL calculations. (4)

2.7 Tabulate the differences between simple and compound interest. (4)

[40]

QUESTION 3: BUSINESS ROLES

3.1 Give THREE practical examples of unethical behaviour. (3)

3.2 Identify the unethical business practice illustrated in each of the following scenarios.

3.2.1 Madiba Cash and Carry charges more for the same goods in the village than in the urban areas. (2)

3.2.2 Mr Siza, the financial manager at Jakes Fittings, did not declare all their income to SARS. (2)

3.3 Read the scenario below and answer the questions that follow.

RUBIN STEEL FACTORY (RSF)

Rubin Steel Factory is experiencing a high demand for steel materials and RSF wants to expand their business idea by establishing another factory in Mossel Bay. RSF needs to look at both the pros and cons before establishing another factory.

3.3.1 Name the problem-solving technique used by Rubin Steel Factory. Motivate your answer by quoting from the scenario above. (3)

3.3.2 Discuss the advantages of the problem-solving technique identified in QUESTION 3.3.1. (8)

3.4 Differentiate between *problem-solving* and *decision-making*. (4)

3.5 Read the scenario below and answer the questions that follow.

PURE CASH FINANCE (PFC)

Pure Cash Finance believes that good corporate governance, which includes transparency and accountability, is key to the integrity of their organisation and their ability to manage risk and perform at optimum levels.

3.5.1 Name TWO King Code principles for good corporate governance from the scenario above. (2)

3.5.2 Advise PFS on how to apply each King Code principle identified in QUESTION 3.5.1 to improve their corporate governance. (8)

3.6 Explain how businesses can apply the brainstorming technique to solve their business problems. (8)

[40]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS VENTURES

4.1 Name THREE principles of insurance. (3)

4.2 Read the scenario below and answer the questions that follow.

Kelly and Keith invested R5 000 in two separate accounts. Kelly invested in a current account in a building society and receives 12% simple interest per annum. Keith invested in a fixed deposit at Khula Bank at 12% compounded interest per annum. The investment period of their accounts is two years.

4.2.1 Calculate the interest amount Kelly will receive after 2 years. (3)

4.2.2 Calculate the interest amount Keith will receive after 2 years. (4)

4.2.3 State the better investment option and motivate the answer. (2)

4.3 Discuss the role of personal attitude in successful leadership. (8)

BUSINESS ROLES

- 4.4 Identify the type of difficult personalities applicable to EACH statement below.
- 4.4.1 Mr Ingwe delays the whole process until a perfect solution is reached. (2)
- 4.4.2 Sizwe, a technician, is dissatisfied even though management has improved the employees' salaries and working conditions. (2)
- 4.4.3 The supervisor raises his voice and uses nasty words and bullying tactics which create a hostile environment during discussions. (2)
- 4.5 Describe the importance of team dynamics theories in improving team performance. (6)
- 4.6 Recommend strategies that businesses may introduce to deal with employees who abuse work time. (8)
- [40]**

TOTAL SECTION B: 80

SECTION C

Answer ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of each question chosen.
The answer to the question must start on a NEW page, e.g.
QUESTION 5 on NEW page or QUESTION 6 on a NEW page.

QUESTION 5: BUSINESS VENTURES (INVESTMENT: SECURITIES)

Zuki recently won R10 million in the lottery. She is considering investing in preference shares or unit trusts on the Johannesburg Securities Exchange Ltd (JSE).

Write an essay to guide Zuki on the following investment aspects:

- Outline the functions of the JSE
- Explain FOUR types of preference shares
- Discuss the following factors that must be considered when making an investment decision:
 - Return of investment (ROI)
 - Taxation
 - Inflation rate
- Advise Zuki on the effectiveness of unit trusts as a good investment. **[40]**

QUESTION 6: BUSINESS ROLES (TEAM PERFORMANCE AND CONFLICT MANAGEMENT)

Intolerance between employees due to unhappiness and conflicts contributes to lower productivity. Therefore, employees sometimes stay away from work without following the correct grievance procedure. Businesses spend large amounts of money and time on team building exercises and projects.

Keeping the above statement in mind, write an essay on the following aspects of team performance:

- Differentiate between *grievance* and *conflict*
- Explain THREE criteria for successful team performance
- Discuss the different stages of team development
- Advise employees on the correct procedure to deal with grievances in the workplace **[40]**

TOTAL SECTION C: 40
GRAND TOTAL: 150